GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5154
ANSWERED ON:26.04.2002
SIMPLIFICATION IN IMPORT EXPORT NORMS
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the extent to which the EXIM policy announced in 2001 simplified the procedures of export - import;

(b) the extent to which it has reduced the transaction cost of the exporters;

(c) whether the Government have further simplified the import - export norms recently;

(d) if so, the salient features thereof; and

(e) the manner in which the exporters are likely to be benefited as a result of simplification of the norms?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) to (b): The Exim Policy (as amended upto 31.03.2001) introduced certain procedural simplifications such as submission of the importer-exporter profile only once unless a change in information occured, clarifications and interviews through email, removal of the time limit for filing application for golden status holders, extension of electronic filing to all categories of licences and introduction of the facility of offline filing. These have led to a reduction in the transaction costs.

(c) to (e): In the Exim Policy 2002-07, certain other simplification measures have been carried out such as a common commodity classification between the Customs, DGFT and DGCIS to eliminate classification disputes, reduction in the maximum application fee for electronic filing, introduction of the same day licencing scheme in the regional offices, reduction in percentage of physical examination of export cargo by the Customs, reduction in the penal interest rate from 24% to 15% in the case of bonafide defaults, liberalization for the import/ export of samples, no penalty for non realization of export proceeds when cover under ECGC is granted, permitting submission of Foreign Inward Remittance Certificate (FIRC) in lieu of Bank Realisation Certificate (BRC) in the case o direct negotiation of documents and an optional facility to convert from one scheme to another in case of denial of benefit under one scheme. These measures would lead to simplification and reduction of transaction costs for exporters.